

CO-OPERATIVE DEVELOPMENT PROGRAM

FUNDED CO-OPERATIVES MEETING

20TH FEBRUARY 1984

LIST OF PARTICIPANTS

Co-operatives

Sybylla Press

Wanderfood Pty. Ltd.

Ballarat Employment Co-op. Ltd.

Bendigo Trading Co-op. Ltd.

Brunswick Italo/Australia
Osteria Co-op. Ltd.

Correct Line Graphics

Gay Community News

Goldfields Community Radio

Hodja Educational Resources

Backyard Press

Maryborough Bootstrap

General Services Co-op. Ltd.

Open Channel

3PBS-FM Community Radio

Persons Attending

Jenny Lord, Glenda Ballantyne

Libby Stewart

Martin Lawrence

Jean Lehman, John Carty,
John Fowles

Carlo Carli

Roger Halley

Stephen Philips

Jeff Langdon

Sue Watson, Ron Harper

Rainer Linz, Kathy Matton

Peter Egan, Dobbie Scarce,
Wilma Ead

Z. Krapivensky, V. Epshtein

K. Dalton

Ian Stanistreet

Pre Co-operatives

Victorian Food Co-operative
Study Group

Trish Anderson, Jane Stokes,
Steven Vaughn, Tony Fitzgerald,
Bill Daley

Sugar and Snails

Janifer Goldman, Sue McVeigh

Prettlesea Secretarial Services

Vera Mitrevska, Henriette Bajjali,
Joanne Daskalou

Chain Reaction

Sue Mueller

Building and Maintenance Group

Paul Martin, Francis Lydeman

Course Steering Committee
Members

S.B.D.C.

Collingwood, Richmond and
Fitzroy Credit Co-op. Ltd.

Preston T.A.F.E.

Persons Attending

John O'Conner

Ivan Katz

Tom Malcolm, Malcolm Chipperton

Funding Committee Members

Registry of Co-operatives

Co-operative Federation of
Victoria

Department of Labour and
Industry

S.B.D.C.

G. Pascoe

Bill Rawlinson

John Roestenburg

Andrew Hilton

Other Service Providers

Collingwood Richmond and
Fitzroy Credit Co-op. Ltd.

Tony Miller

Others

Labour Resource Centre

Co-operative Advisor

M.E.A.T.

Kim Windsor

Brian Green

D. Griffiths, T. Gill,
M. Fawcett, T. Fleming and
J. Breheny

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MINISTRY OF EMPLOYMENT AND TRAINING

CO-OPERATIVE DEVELOPMENT PROGRAM

CO-OPERATIVE MEETING TO BE HELD ON 20TH FEBRUARY 1984

AGENDA

- 8.45 am 1. REGISTRATION
- 9.15 am 2. INTRODUCTION (Miranda Douglas, Deputy Director A/G, Employment Division)
- 9.30 am 3. OPENING ADDRESS BY THE MINISTER FOR EMPLOYMENT AND TRAINING
THE HON. J. L. SIMMONDS M.P.
- 10.00 am 4. THE CRUIKSHANK EVALUATION - OVERVIEW (David Griffiths)
- 10.30 am MORNING TEA
- 10.50 am 5. VIDEO : "WORKPLACE DEMOCRACY - THE CO-OPERATIVE WAY" (Monica Fawcett)
- 11.00 am 6. C.D.P. FUNDING COMMITTEE
Election of Co-operative Representatives.
- 11.30 am 7. INFORMATION AND OPEN DISCUSSIONS OF THE CO-OPERATIVE DEVELOPMENT PROGRAM - DEVELOPMENTS AND ISSUES (Discussion Leaders)
- i) New Contracts (David Griffiths)
 - ii) Occupational Health and Safety in Co-operatives (Trevor Fleming - Ministry of Employment and Training)
 - iii) Trade Unions and Co-operatives (Kim Windsor - Labour Resource Centre)
- 12.30 pm LUNCH
- 1.30 pm 8. TECHNICAL AND FINANCIAL ASSISTANCE (David Griffiths)
- i) Co-operative Courses - Intenders and New Enterprises (Monica Fawcett)
 - ii) Consultancy Services (David Griffiths)
 - iii) Collingwood Richmond and Fitzroy Credit Co-operatives Ltd - Bookkeeping Study (Ivan Katz - Collingwood, Richmond and Fitzroy Credit Co-op Ltd).
 - iv) New C.D.P. Entry Systems (Tony Gill)

(David Griffiths)

Co-operative Study (Kim Windsor-Labour
re).

Richmond and Fitzroy Credit Co-operative
Miller - Collingwood, Richmond and Fitzroy
Ltd.)

Corian Financial Institutions (David Griffiths).

Arts. Working Party (Monica Fawcett).

Advisory Committee on Co-operation (David Griffiths)

MENT PROGRAM FUTURE (David Griffiths)

David Griffiths)

Review" (Tony Gill)

tee (David Griffiths)

Co-operatives (David Griffiths)

C.D.P. Unit (David Griffiths)

MINISTRY OF EMPLOYMENT AND TRAINING

C.D.P. UNIT

FEBRUARY 1984

VE STUDY

Training commissioned
the Co-operative Development

ised a number of critical
be addressed and in
and Community Services in
three month study has been
ative (TNC).
for the TNC by the Labour

policy issues raised by the
co-operatives and how they
The involvement of workers,
unions and associations
the study. Specific reference
in particular:

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job creation initiatives.
try development policy.
ce industrial and economic

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the labour movement, and
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1. However, the limited
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ative Groups Meeting to be
ses or inquiries should

CO-OPERATIVE DEVELOPMENT PROGRAM

MEETING OF FUNDED CO-OPERATIVES

20TH FEBRUARY 1984

MEETING REPORT

1. Apologies were received from Miranda Douglas, illness preventing her attendance.
2. The introduction was made by David Griffiths, who welcomed the groups and provided brief details of the new policy areas within the Employment Division.
3. As the Minister was unable to attend at 9.30 a.m., Agenda Item 4 was covered after the introduction. The groups were advised that the video, covering the Ministry's Co-operative Development Program, would be available shortly.
4. The Minister addressed the meeting, re-emphasising the economic viability criteria and introducing the occupational Health and Safety requirements as well as the development of Trade Union involvement.

Copies of the Minister's speech were provided.

In the Agenda Item 4, an "Overview of the Cruikshank Evaluation" David Griffiths informed the groups of the Cruikshank fundings and the Steering Committee Comments. It was emphasised that the C.D.P. was not being phased out but that changes were occurring. New, clearer and tighter guidelines were being developed however the present studies may affect these guidelines.

Some of the points raised by the Cruikshank report were discussed including:

- a) the distinctions between different types of co-operatives need to be identified and possibly different policies developed.
- b) the funding of radio and broadcasting to be removed from the program. A working party with the Ministry for the Arts is looking at this.
- c) Workers Co-operative Development Agency and Common Ownership Fund Options.
- d) Support for Conversion Co-operatives.
- e) Provision of loans at market rates.
- f) Capital base and equity requirements.
- g) Legislative changes, these are being discussed at the Ministerial Advisory Committee on Co-operation.

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It was pointed out that the Cruikshank report did not cover work place democracy. Cruikshank also proposed the establishment of a Co-operative Development Agency and a Common Agency Fund, but did not provide a supporting argument.

David did mention that where a co-operative movement is strong overseas there are C.D.A.'s which have been set up by the co-operatives themselves. In Australia the support agencies have been set up by Governments.

The discussion then covered alternative funding sources such as via the V.C.C.A. or Common Ownership Funding. Also the C.D.P. is looking at specific co-operatives not the "general" as suggested by Cruikshank.

The changes to the C.D.P. were noted including the development of a co-operative/Labour Movement relationship. The difficulties regarding the traditional Trade Union view of owners/ownership of businesses in relation to co-operatives were mentioned.

6. Agenda Item 6 - C.D.P. Funding Committee included voting for the co-operative representatives. It was agreed that nominations be accepted, each co-operative to have one vote, and a pool of 5 representatives to be elected. David provided a brief background to this Committee and Ron Harper and Jeff Langdon gave details of their views and role as F.C. members. Bill Rawlinson of the C.F.V. and Andrew Hilton of the S.B.D.C. also provided comments, Bill requesting feed-back from the co-operatives who had gone through the funding process.

The nominations for the co-operative representatives were:

<u>Votes</u>	<u>Individual</u>	<u>Co-operative</u>
8	Paul Martin	(Pre-Co-op.) W. Region Building & Maintenance Group
3	Stephen Vaughn	Food Co-op. Study Group (Pre Co-op.)
13	Jeff Langdon	Gold Fields Radio
1	George Krapivensky	General Services Co-op.
13	Jean Lehman	Bendigo Trading Co-op.
5	Stephen Phillips	Gay News
11	Ron Harper	Hodja
<u>54</u>		
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The elected representatives are Jeff Langdon, Jean Lehman and Ron Harper with Paul Martin and Stephen Phillips as the remaining "pool" members.

7. Agenda Item 7 covered the new contracts, copies of which were distributed to the co-operatives and Occupational Health and Safety issues. The section on Trade Unions and Co-operatives was deferred to the afternoon session.

Trevor Fleming of the Occupational, Health and Safety Unit of the Ministry of Employment and Training gave a talk on the importance of Occupational Health and Safety in the workplace making specific reference to co-operatives and the purchasing of equipment. A brief background to the Bill was provided along with copies of relevant sections. The ambiguity of the position of co-operatives was mentioned and that the Ministry would welcome submissions from co-operatives on this point.

The general idea of the proposed legislation was to develop long term planning systems which would remove actual and potential hazards. Training could be obtained from T.U.T.A. and the T.H.C. for Union members, and advice from the Government Inspectorate, D.L.I. and the Occupational Health and Safety Commission. It is hoped that all of these advisory bodies on Occupational Health and Safety would soon be merged and come within the Ministry of Employment and Training.

It was emphasised that whatever happened to the legislation the co-operatives would still be expected to abide by the Occupational Health and Safety conditions in the new contracts.

LUNCH - CATERED BY WANDERFOOD PTY. LTD. (one # of the funded co-operatives).

8. After lunch Agenda Items 7(i) and 9(i) were combined and Kim Windsor addressed the meeting on these topics.

Kim provided a background to the Trade Union movement and advised of a gradual change in the views of the Unions from the old confrontational approach to a developmental policy system encouraging Industrial and Economic Democracy. The co-operatives are becoming more important as a role model. However the co-operatives needed to develop Trade Union contacts to survive.

The Trans National study was discussed and Kim Windsor invited submissions from the co-operatives. However the study was not looking at individual co-operatives but at general policy areas.

The co-operatives made the point that they wished to be visited and their views made known to Labour Resource Centre (Trans National Study) and to the Ministerial Advisory Committee.

9. Agenda Item 8, Technical and Financial Assistance was addressed.

Section i) A brief overview of the new co-operative courses was given and their "guinea-pig"/experimental nature was emphasised.

ii) The Consultancy Services were discussed, most metropolitan groups had already been contacted by the Service Provider.

iii) Ivan Katz explained his bookkeeping study and possible outcomes. The general lack of understanding or correct use of financial information exhibited by the groups visited was mentioned.

iv) The new C.D.P. entry systems discussion also covered the refunding of existing co-operatives. It was emphasised that existing co-operatives would have to abide by the new conditions and new contracts.

The matter of refunding existing co-operatives (Agenda Item 10(i)) was also covered at this point. It was emphasised that groups requesting further funds must have their submissions/revised business plans completed and forwarded to the Ministry in March 1984, and that the conditions detailed in the new contracts would apply.

10. Under Agenda Item 9, Policy Development, the Trans National study had already been discussed.

The Item 9(ii) was covered by Tony Miller of the Collingwood, Richmond and Fitzroy Credit Co-operative Ltd. He advised that the recommendations would favour the establishment of a Credit Co-operative funding system. The advantages of such a system would include reduction of governmental involvement, funding based with a co-operative organisation and a large pool of available funds (Central Banking Service).

The importance of equity and equity policies were mentioned along with the importance of feeding the views of co-operatives into the Ministerial Advisory Committee on Co-operation to ensure any legislative changes reflect the needs/wants of co-operatives.

Under 9(iii) David advised that there was Review of Victorian Financial Institutions underway and this included V.C.C.A. involvement. The deadlines were similar to those of the Ministerial Advisory Committee on Co-operation.

For 9(iv) brief details of the M.E.A.T. and Ministry of the Arts Working Party were given and the meeting advised that little progress had been made. It was hoped that representations from individuals and interested bodies would be sought and a policy basis prepared.

Item 9(v) The Ministerial Advisory Committee on Co-operation was discussed in more detail and the meeting advised that the terms of reference would be circulated once the Hon. Mr. Cathie, M.P. had made a public announcement. Basically the Committee will suggest legislation changes regarding co-operatives. The Financial Institutions review and other studies will be

used and it is important that the co-operatives' views are also included.

It was suggested, by a co-operative member, that the Advisory Committee should appoint a consultant to visit each co-operative and obtain their views. This suggestion was not considered feasible, because of the limited resources of the Advisory Committee and the time scale involved.

It was proposed that the co-operatives must get together to develop their views and present them as a group to the committee. The Food Co-operatives already had such a developmental group but for the other co-operatives it would have to be organised.

Proposals for group submission development included:

- a) wages for meeting time of co-operative participants to be paid.
- b) a Co-operative Committee to be formed to represent the funded co-operatives.
- c) The Co-operative Federation of Victoria to represent the co-operatives (already on the Advisory Committee).
- d) a resource person/group, funded by C.D.P./M.E.A.T. to visit all groups individually and prepare a submission.
- e) the co-operatives to split into groups depending upon their type of business eg. media, publishing, food and prepare separate submissions themselves.

Finance assistance for such development may be available from the Ministry.

David proposed that a meeting of funded co-operatives be organised once the Ministerial Advisory Committee terms of reference are available. This meeting could then decide upon the best way that the funded co-operatives could make representation to the Advisory Committee.

It was agreed that such a meeting should take place.

11. Agenda Item 10 was covered after afternoon tea.

10(i) had been covered under item 8(iv) however David added that the group's new business plans could be considered in this financial year but they must address the new funding conditions.

10(iii) had been dealt with under Agenda Item 6.

10(iv) Brief mention was made of conversion co-operative and the meeting advised that funds may be available from the new employment program's budget for conversion groups.

10(v) The meeting was informed that two full-time workers were employed in the C.D.P. Unit, this was unlikely to be increased. Some members of the funded co-operatives expressed dissatisfaction with this limited staff allocation to the C.D.P.

10(ii) The Ministry view on the "Co-operative Review" was that it would like to know what the co-operatives wanted and would consider proposals. A broadening of the scope of the publication could be possible to include Food Co-operatives, Housing Co-operatives, Credit Co-operatives, etc.

It was agreed that this matter would be further discussed at the next meeting of Funded Co-operatives to be called after the Ministerial Advisory Committee's terms of reference are made available.

12. Agenda Item 7(i) was discussed at the final stages of the meeting. The meeting was informed that new contracts were being developed and an example was provided in the package of meeting documents given to each group. It was pointed out that some aspects could be negotiated such as the starting dates for loans and grants but not the Occupational Health and Safety or industrial democracy conditions.

It was stressed that some conditions are difficult to define or implement so the new contracts were given out for groups to assess.

The meeting expressed the view that the term "contract of employment" was not appropriate and that the wording should be changed to "memorandum of employment" or "terms of reference". The relevant award still forms the basis for the employment agreement.

The Ministry is in the process of developing guidelines on individual components. The Funding Committee is working on assessment guidelines and appeals procedures.

The meeting closed at 4.00 p.m.

MINISTRY OF EMPLOYMENT AND TRAINING

CO-OPERATIVE DEVELOPMENT PROGRAM

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 - ii) Consultancy Services (David Griffiths)
 - iii) Collingwood Richmond and Fitzroy Credit Co-operatives Ltd - Bookkeeping Study (Ivan Katz - Collingwood, Richmond and Fitzroy Credit Co-op Ltd).
 - iv) New C.D.P. Entry Systems (Tony Gill)

- 2.30 pm 9. POLICY DEVELOPMENT (David Griffiths)
- i) Trans National Co-operative Study (Kim Windsor-Labour Resource Centre).
 - ii) Collingwood, Richmond and Fitzroy Credit Co-operative Study (Tony Miller - Collingwood, Richmond and Fitzroy Credit Co-op Ltd.)
 - iii) Review of Victorian Financial Institutions (David Griffiths).
 - iv) Ministry of the Arts. Working Party (Monica Fawcett).
 - v) Ministerial Advisory Committee on Co-operation (David Griffiths)
- 3.30 pm AFTERNOON TEA
- 3.50 pm 10. CO-OPERATIVE DEVELOPMENT PROGRAM FUTURE (David Griffiths)
- i) Funding (David Griffiths)
 - ii) "Co-operative Review" (Tony Gill)
 - iii) Funding Committee (David Griffiths)
 - iv) Conversion Co-operatives (David Griffiths)
 - v) Resourcing of C.D.P. Unit (David Griffiths)
- 4.50 pm 11. OTHER MATTERS

MINISTRY OF EMPLOYMENT AND TRAINING

C.D.P. UNIT

FEBRUARY 1984

TRANS NATIONAL CO-OPERATIVE STUDY

Last year the Ministry of Employment and Training commissioned Management Resources Pty. Ltd. to review the Co-operative Development Program.

The subsequent Cruickshank Evaluation raised a number of critical policy issues. These issues now need to be addressed and in conjunction with the Minister for Youth and Community Services in New South Wales, the Hon. F. Walker, a three month study has been commissioned by the TransNational Co-operative (TNC). In Victoria the study will be undertaken for the TNC by the Labour Resource Centre.

This new study will consider some of the policy issues raised by the Cruickshank Evaluation concerning worker co-operatives and how they could be usefully examined and debated. The involvement of workers, (both employed and unemployed), and their unions and associations is a vital factor in the development of the study. Specific reference will be made to worker co-operatives and in particular:

- their potential to protect and create employment.
- their relationship with job creation initiatives.
- their relevance to industry development policy.
- their potential to advance industrial and economic democracy objectives.
- their relationship to the public sector and to public enterprise.
- their relationship with the labour movement, and specifically Trade Unions.
- their potential to provide jobs and training with award rates of pay and working conditions.

Finally the study will look at appropriate Government assistance and regulations in relation to topics such as:

- : the traditional Co-operative movement.
- : financial institutions.
- : educational institutions and programs.
- : industrial and taxation laws.

The project team will be pleased to receive input on any of these areas or any other comments on the program. However, the limited time-scale of the study will preclude extensive visits to co-operatives.

The study will be discussed at the Co-operative Groups Meeting to be held on 20 February, 1984. Written responses or inquiries should be addressed to:

Ms. K. Windsor,
Project Officer,
Labour & Resource Centre,
25 Drummond Street,
CARLTON, VIC 3053